

6 June 1955

The Honorable
The Secretary of State
Washington, D. C.

Dear Mr. Secretary:

I understand that the Department of State is currently engaged in the preparation of its preliminary 1957 budget estimates, along with all Executive departments and agencies. I hope I will not be considered presumptuous if I offer certain comments upon the intelligence part of the Department's budget.

The intelligence framework of the Government has its particular problems in that, to a degree not often found in other governmental functions, each intelligence agency is heavily dependent upon others, and the President and the National Security Council are dependent upon the community as a whole, not simply upon one or several of its parts. I might add that this governmental area differs from others also in that there is assigned to the Director of Central Intelligence a statutory responsibility to coordinate the activities of the several intelligence agencies; this indeed accounts for, and I believe justifies, my present comment.

The intelligence area of the Department of State has an obligation to respond to the needs of agencies other than the Department itself. Such needs involve both the collection of intelligence and the preparation of finished intelligence reports and estimates. I believe it is pertinent, therefore, for me to report to you that I have become increasingly concerned at the Department of State's difficulty, because of insufficient qualified personnel, in meeting fully the needs of the Intelligence Advisory Committee (IAC), its constituent agencies, and other intelligence consumers. The most

recent review of deficiencies in National Intelligence Estimates points to gaps that exist because of inadequate research and analysis facilities. Examination of specific deficiencies--i.e., the status of the integration program in the Soviet orbit, political developments in Italy, nationalist and Communist strengths and relationships in North Africa--make it evident that the problem is notably serious in the Department of State intelligence organization. Senior officials of CIA and other agencies have confirmed this to me in expressing their misgivings at the consequences of a continued low level of staffing of the Department's intelligence research unit.

CIA, as well as other agencies having operating responsibilities in the general field of psychological warfare, looks to the Department of State for specific political intelligence support, in accordance with the principle of specialization among the IAC members. We are aware, however, that these demands constitute a significant levy on the Department's intelligence-producing resources; I am informed that the Department's intelligence organization has been unable, because of a personnel shortage, to meet some of our outstanding requests.

The Department's responsibility as a collector of overt intelligence is a further concern to the IAC community. Here too remediable deficiencies have appeared, particularly in the procurement of publications and other printed material, but on a more general basis also.

I hasten to say the Department of State and the Foreign Service have done an extraordinarily good intelligence job over the past two years, and I would not wish my expressions of concern to obscure this fact. I am strongly of the view, nevertheless, that an increase in the budget allowance for the Department's intelligence activities would serve well the national security interest in these times when sound intelligence is a particularly vital need. I am sure that the responsible Department officers will present to you their own judgments as to the detailed and specific needs of their units.

AWD:at
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Sincerely yours,

Allen W. Dulles
Director

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Remarks:

Please note the underlined portion of para 3. The Director asked that you, in coordination with DD/S, prepare a letter to the Bureau of the Budget for his signature.

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